

## PAYOFF HIERARCHY

### 1. Current Support:

In the payoff hierarchy, CSUP and CSSI accounts will be paid proportionately before CSMS or CSSP accounts.

- a. CSUP/CSSI    Child Support; SSI, Child Support
- b. CSMS        Medical Support
- c. CSSP        Spousal Support
- 2. NAA1A       Never Assigned Arrearages - Non-TANF/K-TAP
- 3. OSTNA       Other State Non-TANF Arrearages
- 4. SSI1A       SSI1A Non-TANF Arrearages
- 5. MSA1A       Current Client Medical Support Arrearages
- 6. OSAMA       Other State Medical Arrearages
- 7. SSP1A       Spousal Support Arrearages
- 8. CAA1A       Conditionally Assigned Arrearages 1
- 9. TANFA       TANF/K-TAP Arrearages Owed to the Cabinet
- 10. OSTAA       Other State Arrearages
- 11. CAA2A       Conditionally Assigned Arrears to Prior Client
- 12. TAN2A       Assigned Arrears to Prior Client
- 13. AFMSA       TANF/K-TAP Medical Support Arrears
- 14. ASSPA       TANF Spousal Support Arrearages
- 15. FCARA       Foster Care Arrearages
- 16. FCMSA       Foster Care Medical Support Arrearages
- 17. OSTFA       Other State Foster Care Arrearages
- 18. NFCRA       Non-IV-E Foster Care Arrearages
- 19. NFMSA       Non-IV-E Foster Care Medical Support Arrearages
- 20. UDA1A       Unassigned During Assistance Arrearages 1
- 21. MEDIA       Medicaid Arrearages
- 22. NAA2A       Never Assigned Arrearages – Non-TANF/K-TAP, Formerly NPA2A
- 23. SSI2A       Assigned SSI Arrearages to Prior Client,
- 24. MSA2A       Conditionally Assigned Medical Support Arrearages to Prior Client.
- 25. UDA2A       Unassigned During Assistance Arrearages to Prior Client
- 26. APFEA       NCP Genetic Testing Fee
- 27. OSFEE       Other State Fees
- 28. VLTY       Monies Paid in the Absence of a Support Order
- 29. VLEX       Non-TANF Voluntary Excess Payments

## ul Hints

ted on a case, then the wage  
"Y" for money to distribute for that

age withholding order is completed for  
must be completed for all of the NCP'S  
ot include "I" cases.

to adjust money to a specific IV-D  
ES correctly allocated the payment.

g SSN for both IV-D and NIVD cases.

1 cases first.

will allocate to all cases based on  
ases.

ons will be satisfied on all cases based

bove current support and arrearage  
the percentage of the combined total  
ons.

**\*\*HOLD REASON\*\***

Z = DISTRIBUTION LESS THAN \$1.00  
T = TAX MONEY  
A = ACCOUNTING REVIEW  
A = RXB5 CREATED BY FEDERAL TAX  
C = CASEWORKER REVIEW  
D = KTAP ACTIVE, CHECK RETURNED  
E = KTAP CASE HAS \$0 GRANT (SYSTEM GENERATED)  
G = NPA CASE WITH A KTAP GRANT (SYSTEM GENERATED)  
M = MISCELLANEOUS (IV-A INTERFACE REAPPROVALS)  
I = INVALID ADDRESS  
X = RXB5 TRANSACTION (SYSTEM GENERATED)  
J = ACCOUNT HOLD FROM JCAO SYSTEM. CONTACT JCAO PRIOR TO  
RELEASING  
U = UPLOAD PAYMENT RECEIVED WITHOUT IVD NUMBER  
(TRANSACTIONAL HOLD)  
W = TRANSACTIONAL HOLD ON WAGE PAYMENT/WITHHOLDING  
INDICATORS ARE "N"  
O = URES, II, IO, IT, RI, RO AND RT PAYMENT TYPE ALLOCATED TO K OR R  
CASE  
L = LEGAL DISPUTE  
F = FEDERAL TAX  
X = RXB5 TRANSACTION IS PROCESSED  
S = STATE TAX  
R = MONEY APPLIES TO CAA1A AND GRANT AMOUNT IS -0-.  
B = BATCH HOLD WHEN PAYMENT SETS TO REFUND ON A CLOSED CASE.  
H = STATE ADMINISTRATIVE OFFSET HOLD  
K = WAGE PAYMENTS ALLOCATED TO I CASE TYPE  
P = SYSTEM HOLD WHEN THE ROUTING NUMBER IS NOT CORRECT ON  
EFT.  
N = SYSTEM ASSIGNED WHEN A STALE DATE CHECK IS RETURNED FROM  
TREASURY.

COMMONWEALTH OF KENTUCKY  
Cabinet for Health and Family Services  
Department for Community Based Services

TO: All IV-D Agents and Staff  
Division of Child Support  
Division of Service Regions, Child Support Section

FROM: Tom Emberton, Jr.  
Commissioner

DATE: December 1, 2005

SUBJECT: Issuance of Employer Notice of Lump Sum Withholding (Form CS-183) and Procedural Instructions

CSHTL No. 87

The Employer Notice of Lump Sum Withholding (Form CS-183) and its procedural instructions have been placed on the Division of Child Support's Intranet Web page at [http://manuals.chfs.ky.gov/dCBS\\_manuals/DCS/home\\_dcs.asp](http://manuals.chfs.ky.gov/dCBS_manuals/DCS/home_dcs.asp).

The Employer Notice of Lump Sum Withholding (Form CS-183) has been created to use as a cover letter for the Order/Notice to Withhold Income for Child Support (Form CS-89) or any judicial wage withholding order to notify employers that Kentucky Revised Statute 405.465, amended June 20, 2005, and effective January 1, 2006, requires employers with twenty or more employees to contact, in writing, the Division of Child Support (DCS) if the employee is to be paid a lump sum for workers' compensation benefits, severance pay, sick leave, retirement benefits or contributions, bonuses, or profit sharing payments or distributions; and the lump sum payment is for \$150.00 or more to the employee/noncustodial parent.

The CS-183 informs the employer of his or her responsibilities when an employee is scheduled to receive a lump sum benefit. The CS-183 also informs the employer of and how, when and who to contact at DCS and defines lump sum payments for the employer. The CS-89 is being revised to include this information on the state specific pages; however, because the CS-89 is incorporated in Kentucky Administrative Regulation (KAR) 1:410, the revised CS-89 cannot be issued until the amended regulation is adopted.

This transmittal letter is to be saved and filed for future reference as it explains changes that have been made to the Kentucky Child Support Forms. The Kentucky Child Support Forms are to be updated as shown below.

**Instructions for Child Support Forms Maintenance**

Remove

Insert

Employer Notice of Lump Sum Withholding  
(CS-183) (12/05) and Procedural Instructions  
(12/01/05)

Effective January 1, 2006, KRS 405.465 requires any employer with 20 or more employees to provide written notification to the Cabinet for Health and Family Services (CHFS) of a lump sum payment of any kind of \$150.00 or more to be made to an employee who is currently under a wage withholding order. The following guidelines should be followed:

- The employer is required to report lump sum payment to the Cabinet for Health and Family Services (CHFS) no later than 45 days before the payment is to be made. If the right to the lump sum payment is determined less than 45 days before it is to be made, the report must be made on the date of determination.
- The employer is required to hold each lump sum payment of \$150.00 or more for thirty (30) days after the date on which it would otherwise be paid to the employee.

Lump sum payments refer to any payment to the employee in excess of \$150 that is not part of regularly scheduled wages. A lump payment of any kind means a payment of earnings (compensation paid or payable for personal services) and includes but is not limited to commissions, bonuses, payments pursuant to a pension, workers' compensation benefits, severance pay, profit sharing, employee buyout packages, and incentive payments. It does not include payments to employees for business expense reimbursement.

Please be assured that in instances where no past due child support amount is owed, every effort will be made to timely notify employers to release the payment to the employee. However, if an arrearage does exist the Division of Child Support's lump sum payment coordinator must notify the local office handling the case. The local office will then be responsible for determining if any portion of the lump sum payment should be withheld for child support payment and issuing the order for payment to the employer. If the employer is not contacted by the Division of Child Support, the lump sum payment may be released to the employee 30 days after it would otherwise be paid to the employee.

The lump sum coordinator for the Cabinet for Health and Family Services, Division of Child Support is Carolyn Coney. Employers with questions concerning this process can reach Ms. Coney by telephone at (502) 564-2285, ext. 4456 or by e-mail at [CarolynG.Coney@ky.gov](mailto:CarolynG.Coney@ky.gov). The written notification must be mailed to the address listed below or FAXED to Ms. Coney's attention at (502) 564-5988 or (502) 564-7938. The notification must list the employee's name, social security number, amount of lump sum payment, and intended payment date. An employer with multiple employees receiving a lump sum payment may report the information for all employees on one written notification.

Division of Child Support  
Attn: Carolyn Coney  
Post Office Box 2150  
Frankfort, Kentucky 40602-2150

FTAX Federal Tax Refund Offset Payoff Hierarchy For Cases that have the client's mpi# attached as the account# in the CAA1A or CAA2A subaccount.

TANFA  
TAN2A  
AFMSA  
ASSPA  
FCARA  
FCMSA  
NFCRA  
NFMSA  
MEDIA  
NAA1A  
SSI1A  
MSA1A  
CAA1A  
CAA2A  
SSP1A  
NAA2A  
SSI2A  
MSA2A  
UDA1A  
UDA2A  
APFEA  
OSTNA  
OSTAA  
OSAMA  
OSTFA  
OSFEE

FTAX Federal Tax Refund Offset Payoff Hierarchy For Cases that have account 40 attached as the account# in the CAA1A or CAA2A subaccount.

TANFA  
TAN2A  
CAA1A  
AFMSA  
ASSPA  
FCARA  
FCMSA  
NFCRA  
NFMSA  
MEDIA  
CAA2A  
NAA1A  
SSI1A  
MSA1A  
SSP1A  
NAA2A  
SSI2A  
MSA2A  
UDA1A  
UDA2A  
APFEA  
OSTNA  
OSTAA  
OSAMA  
OSTFA  
OSFEE

**October 2008**

**Dept. for Income Support Child Support  
Enforcement EXTENSION #'s**

**Deputy Commissioner's Office**

**Steve Veno, Deputy Commissioner - 4401**

**Rachel Dockal, Staff Assistant- 4404**

**Lydia Gravitt, Executive Secretary – 4403**

Susan Hyatt - 4402

Joy Anderson – 4486

Donna Carter - 4491

**Field Management & Services Branch**

**Maria Lewis, Branch Manager – 4494**

Renea Watson 4485

Jody Epperson - 4490

Libby Wilson – 4436

**Program Services Branch**

**Tim McClain, Branch Manager - 4405**

Vacant , Secretary - 4406

Elizabeth Collins – 4407

Shari Sullivan - 4409

**Policy & Procedures Section**

**Mary Sparrow, Supervisor - 4428**

Jan Caudill - 4493

Kristi Peavler– 4431

Brent Mason – 4433

Michelle Clark – 4430

Marcel Herron – 4435

Vacant - 4429

**Central Registry**

**Lynn Skelton, Supervisor – 4437**

June Miller, Secretary - 4440

Susan Herndon - 4408

Donna Boler – 4441

Jim Alexander - 4438

**State Parent Locator Section**

**Jacob Vanderroort, Supervisor - 4412**

Mickey Miller, Secretary - 4414

Ray Athey - 4413

Rachael Holt - 4425

Mary Cecil - 4427

Vacant - 4417

Holly LeCompte - 4421

Robert Mason - 4422

Laura Moreno - 4423

Vacant - 4424

Sonda Roach – 4426

Latoya Winkfield – 4458

Lindsey Hensley – 4420

Lucia Lee Lafferty - 4416

Amanda Lancaster - 4418

**Accounting Branch**

**Loretta Dawson, Branch Manager - 4443**

Melissa Roby - 4449

**Distribution Section**

**Pat Gaines, Supervisor - 4461**

Janie Games - 4452

Carolyn Coney - 4456

Dianne Darnell - 4455

Valerie Drake - 4459

Teresa Grigsby - 4447

Brenda Hymer - 4460

Elizabeth Redmon - 4462

Kay Sanderson - 4415

Judy Smith - 4446

Kathy Vinson – 4444

Dennis Charles – 4448

Roslynn Blue - 4451

Judith Holbrook – 4445

Vacant - 4475

Robert Lippert – 4469

Shastavia Beasley - 4479

**Intercept Project Section**

**Adrienne Mason, Supervisor - 4463**

Curtis Godchaux - 4477

Sherry Osborne - 4466

Mike Phillips – 4467

Amber Doss – 4472

Darren Mayfield – 4473

Vacant - 4470

**Central Processing Section**

**Sandra Barnett, Supervisor - 4481**

Donna Bruner – 4484

Rosemary Grimes – 4483

Trisha Johnson – 4487

Connie Wise – 4489

Adam Rogers - 4434

Charolette Riddle – 4400

Vickie Robinson – 4488

Karen Griffin - 4482

Resource Room – 4450

**FAX NUMBERS FOR CSE**

Deputy Commissioner's Office - 502-564-5988

Distribution Section – 502- 564-9864

PROGRAM SERVICES BRANCH – 502-564-0255

Intercept Project Section – 502-564-1031  
Central Processing – 502-564-7938

HOT LINE - 800-248-1163  
IVR - 800-443-1576  
IPS - 800-446-6041  
NIVD - 877-706-8508  
HELP DESK....800-443-2705

SECRETARY'S OFFICE. . . .564-7130  
COMMISSIONER'S OFFICE...564-3703  
TRAINERS .....564-9932  
STATE INFO.....564-3130  
KASES.....564-0104

Address for Payments:

Kentucky Division of Child Support  
P.O. Box 14059  
Lexington, KY 40512-4059

**KASES CASELOAD ASSIGNMENT DISTRIBUTION ACCOUNTANTS EFFECTIVE 10/1/08**

<b>Pat Gaines 300X030</b> <b>SUPERVISOR</b> <b>ALL URGENT MAIL</b> <b>MESSAGE REQUESTS</b>  <b>Dianne Darnell 300x085</b> <b>ASSIST SUPERVISOR</b> <b>ASSIST ACCOUNTANTS</b> <b>APPROVES ADJUSTMENTS</b>  <b>Janie Games 300X143</b> <b>ASSIST SUPERVISOR</b> <b>ASSIST ACCOUNTANTS</b> <b>APPROVES ADJUSTMENTS</b>	<b>Elizabeth Redmon 300x015</b> 3 ANDERSON 27 CLINTON 34 FAYETTE (CDE) 38 FULTON 54 HOPKINS 56 JEFFERSON (CDE) 59 KENTON (CDE) 66 LESLIE 67 LETCHER 68 LEWIS 81 MASON 83 MENIFEE 84 MERCER 99 POWELL 113 UNION 116 WAYNE	<b>Valerie Drake 300X027</b> 1 ADAIR 12 BRACKEN 13 BREATHITT 14 BRECKINRIDGE 15 BULLITT 29 CUMBERLAND 34 FAYETTE (LJK) 42 GRAVES 44 GREEN 53 HICKMAN 55 JACKSON 56 JEFFERSON (LJK) 59 KENTON (LJK) 97 PERRY 100 PULASKI 108 SPENCER	<b>Kay Sanderson 300x037</b> 5 BARREN 16 BUTLER 30 DAVIESS 33 ESTILL 34 FAYETTE (LMN) 37 FRANKLIN 40 GARRARD 41 GRANT 48 HARLAN 56 JEFFERSON (LMN) 59 KENTON (LMN) 110 TODD 111 TRIGG 114 WARREN 117 WEBSTER 118 WHITLEY	<b>Teresa Grigsby 300X031</b> 8 BOONE 10 BOYD 34 FAYETTE (RST) 43 GRAYSON 52 HENRY 56 JEFFERSON (RST) 59 KENTON (RST) 76 MADISON 80 MARTIN 85 METCALFE 86 MONROE 89 MUHLENBURG 90 NELSON 103 ROWAN 107 SIMPSON 109 TAYLOR
<b>Crissy Holbrook 300x063</b> 34 FAYETTE (OPQ) 56 JEFFERSON (OPQ) 59 KENTON (OPQ) 87 MONTGOMERY 88 MORGAN 91 NICHOLAS 92 OHIO 93 OLDHAM 94 OWEN 95 OWSLEY 96 PENDLETON 98 PIKE 105 SCOTT 112 TRIMBLE 115 WASHINGTON 119 WOLFE	<b>Robert Lippert 300x010</b> 9 BOURBON 17 CALDWELL 18 CALLOWAY 19 CAMPBELL 21 CARROLL 28 CRITTENDEN 34 FAYETTE (FGH) 36 FLOYD 56 JEFFERSON (FGH) 57 JESSAMINE 59 KENTON (FGH) 74 MCCREARY 75 MCLEAN 78 MARION 79 MARSHALL 120 WOODFORD	<b>Shastavia Beasley 300x036</b> 20 CARLISLE 22 CARTER 25 CLARK 26 CLAY 32 ELLIOTT 34 FAYETTE (AB) 35 FLEMING 46 HANCOCK 49 HARRISON 50 HART 51 HENDERSON 56 JEFFERSON (AB) 59 KENTON (AB) 101 ROBERTSON 102 ROCKCASTLE 104 RUSSELL	<b>Dennis Charles 300x066</b> 2 ALLEN 4 BALLARD 6 BATH 7 BELL 11 BOYLE 23 CASEY 31 EDMONSON 34 FAYETTE (XYZ) 56 JEFFERSON (XYZ) 59 KENTON (XYZ) 60 KNOTT 62 LARUE 63 LAUREL 64 LAWRENCE 65 LEE 69 LINCOLN	<b>Roslynn Blue 300x068</b> 24 CHRISTIAN 34 FAYETTE (UVW) 39 GALLATIN 45 GREENUP 47 HARDIN 56 JEFFERSON (UVW) 58 JOHNSON 59 KENTON (UVW) 61 KNOX 70 LIVINGSTON 71 LOGAN 72 LYON 73 MCCrackEN 77 MAGOFFIN 82 MEADE 106 SHELBY
<b>Trisha Johnson 300x117</b> <b>Suspense Money</b>	<b>Carolyn Coney 300x019</b> <b>COUNTIES (1 - 55)</b> <b>CHECK TRACERS</b> <b>MUTILATED CHECKS</b> <b>STALE DATED CHECKS</b> <b>LUMP SUM PAYMENTS</b>	<b>Brenda Hymer 300x022</b> <b>COUNTIES (56 - 120)</b> <b>CHECK TRACERS</b> <b>MUTILATED CHECKS</b> <b>STALE DATED CHECKS</b>		

## 1<sup>ST</sup> ROUND

### HOW KASES ALLOCATES A WAGE PAYMENT ON CSUP

- STEP 1** Convert all open obligations to a monthly amount.
- STEP 2** Total the open current support obligations for all the NCP'S cases.
- STEP 3** Divide each case's obligation amount by the total from step#2 to get a percentage for each case.
- STEP 4** Multiply the percentage by the payment amount to see how much of the payment will be applied to each case's current support.

#### EXAMPLE:

The NCP has three obligations for current support which translate to the following monthly amounts: \$250.00 for case "A", \$275.00 for case "B", and \$325.00 for case "C".

**He has made one payment of \$800.00.**

STEP 2	\$250.00	Case "A"
	\$275.00	Case "B"
	<u>\$325.00</u>	Case "C"
	\$850.00	Total obligations

STEP 3    \$250.00 divided by \$850.00 equals 29.4118% for case "A"  
              \$275.00 divided by \$850.00 equals 32.3530% for case "B"  
              \$325.00 divided by \$850.00 equals 38.2353% for case "C"

STEP 4    \$800.00 x 29.4118% = \$235.29 for case "A"  
              \$800.00 x 32.3530% = \$258.82 for case "B"  
              \$800.00 x 38.2353% = \$305.88 for case "C"

KASES will apply the amounts shown above for each case.

## 2<sup>ND</sup> ROUND

### HOW KASES ALLOCATES A WAGE PAYMENT ON ARREARS

- STEP 1** Convert all open arrears obligations to a monthly amount.
- STEP 2** Total the open ARREARS obligations for all the NCP'S cases.
- STEP 3** Divide each cases obligation amount by the total from step#2 to get a percentage for each case.
- STEP 4** Multiply the percentage times the payment amount received to get the portion to be applied to each case's OA.

#### EXAMPLE:

The NCP has three obligations for ARREARS which translate to the following monthly figures: \$25.00 for case "A", \$25.00 for case "B", and \$50.00 for case "C".

**He has made one payment of \$75.00.**

STEP 2	\$25.00	Case "A"		
	\$25.00	Case "B"		
	<u>\$50.00</u>	Case "C"		
	\$100.00	Total monthly arrears obligation amounts for all cases.		
STEP 3	\$25.00 / \$100.00 for case "A"		OA = 25.00000%	(percentage for each CP's case.)
	\$25.00 / \$100.00 for case "B"		OA = 25.00000%	
	\$50.00 / \$100.00 for case "C"		OA = 50.00000%	
STEP 4	\$75.00	\$75.00	\$75.00	
	<u>x .250000%</u>	<u>x .250000%</u>	<u>x .500000%</u>	
	\$18.75	\$18.75	\$37.50	
	(each cases portion for the \$75.00 payment)			

KASES will apply:

**\$18.75** for arrears OA in case "A" with a \$25.00 obligation;  
**\$18.75** for arrears OA in case "B" with a \$25.00 obligation;  
**\$37.50** for arrears OA in case "C" with a \$50.00 obligation.

IF NO FREQUENCIES ARE ON THE CASE WAGE PAYMENTS WILL HOLD AT THE NCP'S LEVEL FOR MANUAL DISTRIBUTION.

### 3<sup>RD</sup> ROUND

HOW KASES ALLOCATES A WAGE PAYMENT TO ARREARS (AFTER ALL CSUP AND ARREARS OA'S ARE MET)

- STEP 1** Convert all open obligations to a monthly amount.
- STEP 2** Total the open CSUP and ARREARS obligations for all the NCP'S cases.
- STEP 3** Divide each cases obligation amount by the total from step#2 to get a percentage for each case.
- STEP 4** Multiply the percentage times the payment amount received to get the portion to be applied to each case.

#### EXAMPLE:

The NCP has three obligations for CSUP and ARREARS which translate to the following monthly figures: \$125.00 for case "A", \$25.00 for case "B", and \$50.00 for case "C".

**He has made one payment of \$75.00.**

STEP 2	\$125.00	Case "A"
	\$25.00	Case "B"
	\$50.00	Case "C"
	\$200.00	Total monthly obligation amounts for all cases.

STEP 3	\$125.00 / \$200.00 for case "A"	OA = 62.5000%	(percentage
	\$25.00 / \$200.00 for case "B"	OA = 12.5000%	for each
	\$50.00 / \$200.00 for case "C"	OA = 25.0000%	CP's case.)

STEP 4	\$75.00	\$75.00	\$75.00
	<u>x .625000%</u>	<u>x .125000%</u>	<u>x .250000%</u>
	\$46.87	\$9.38	\$18.75
	(each cases portion for the \$75.00 payment)		

KASES will apply:

**\$46.87** for arrears OA in case "A" with a \$25.00 obligation;

**\$9.38** for arrears OA in case "B" with a \$25.00 obligation;

**\$18.75** for arrears OA in case "C" with a \$50.00 obligation.

IF NO FREQUENCIES ARE ON THE CASE WAGE PAYMENTS WILL HOLD AT THE NCP'S LEVEL FOR MANUAL DISTRIBUTION.